## <u>2SHB 3181</u> - H AMD TO H AMD (H-5591.5/10) **1568**By Representative Warnick

- Beginning on page 1, line 5 of the amendment, strike all of sections 2 and 3 and insert the following:
- "NEW SECTION. Sec. 2. (1) The legislature finds that nonpoint water pollution and contaminated storm water runoff is a major problem in the state creating a significant burden on the rivers, aquifers, lakes, streams, and marine receiving waters across Washington.
  - (2) The legislature finds that the federal government and the state of Washington have identified control of pollutants in storm water runoff through national pollutant discharge elimination system phase I and II municipal storm water permits as a requirement for the state and local jurisdictions. Impacts from the polluted storm water may be prevented or controlled through retrofit projects for existing infrastructure as well as other means.
  - (3) The legislature finds that existing funding raised by the hazardous substances tax in the last two years has not been used as intended and critical storm water projects have suffered due to the transfer of funding from the state and local toxics control accounts into the general fund.
    - (4) The legislature finds that dedicating existing hazardous substances tax revenue to critical storm water projects is essential to offsetting pollution from storm water runoff.
  - (5) The legislature finds that the department of ecology is still conducting a comprehensive scientific analysis of storm water research to guide policymakers' decisions on storm water. Therefore, the legislature intends to review and approve the final study before making new policy decisions on storm water funding.
- **Sec. 3.** RCW 70.105D.070 and 2009 c 564 s 951 and 2009 c 187 s 5 28 are each reenacted and amended to read as follows:

- 1 (1) The state toxics control account and the local toxics control account are hereby created in the state treasury.
- (2) The following moneys ((shall)) must be deposited into the state 3 toxics control account: (a) Those revenues which are raised by the tax 4 5 imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) 6 7 the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; 8 and (d) any other money appropriated or transferred to the account by 9 the legislature. Moneys in the account may be used only to carry out 10 the purposes of this chapter, including but not limited to the 11 following activities: 12
- (i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;
  - (ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;
- 19 (iii) The hazardous waste cleanup program required under this 20 chapter;
  - (iv) State matching funds required under the federal cleanup law;
- (v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
  - (vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;
    - (vii) Hazardous materials emergency response training;
- 28 (viii) Water and environmental health protection and monitoring 29 programs;
  - (ix) Programs authorized under chapter 70.146 RCW;

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- 31 (x) A public participation program, including regional citizen 32 advisory committees;
- (xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will

- achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship;
  - (xii) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150; ((and))
- 7 (xiii) During the 2009-2011 fiscal biennium, shoreline update 8 technical assistance; and
- 9 (xiv) During the 2009-2011 fiscal biennium, twenty-two million five
  10 hundred thousand dollars must be transferred from the account and
  11 deposited as follows:
- 12 (A) Twelve million dollars to the motor vehicle account to be used 13 as required under section 5 of this act;
- 14 <u>(B) Five million five hundred thousand dollars to the Puget Sound</u>
  15 <u>recovery account to be used as required under section 6 of this act;</u>
  16 and
  - (C) Five million dollars to the oil spill prevention account.
  - (3) The following moneys ((shall)) <u>must</u> be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.
  - (a) Moneys deposited in the local toxics control account ((shall)) must be used by the department for grants or loans to local governments for the following purposes in descending order of priority:
    - (i) Remedial actions;

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- (ii) Hazardous waste plans and programs under chapter 70.105 RCW;
- (iii) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
  - (iv) Funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and
  - (v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, defined for the purposes of this section as vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel, that pose a threat to human health or the environment.

(b) Funds for plans and programs ((shall)) must be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that is a Puget Sound partner, as defined in RCW 90.71.010, along with any project that is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, ((shall)) must, except as conditioned by RCW 70.105D.120, receive priority for any available funding for any grant or funding programs or sources that use a competitive bidding process. During the 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

- (c) To expedite cleanups throughout the state, the department ((shall)) must partner with local communities and liable parties for cleanups. The department is authorized to use the following additional strategies in order to ensure a healthful environment for future generations:
- (i) The director may alter grant-matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:
- (A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;
- (B) Funding would create new substantial economic development, public recreational, or habitat restoration opportunities that would not otherwise occur; or
- (C) Funding would create an opportunity for acquisition and redevelopment of vacant, orphaned, or abandoned property under RCW 70.105D.040(5) that would not otherwise occur;
  - (ii) The use of outside contracts to conduct necessary studies;
- 30 (iii) The purchase of remedial action cost-cap insurance, when 31 necessary to expedite multiparty clean-up efforts.
  - (4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.
  - (5) Except during the 2009-2011 fiscal biennium, one percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous

substance and to not-for-profit public interest organizations. 1 2 primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of 3 releases or threatened releases of hazardous substances 4 implement the state's solid and hazardous waste management priorities. 5 No grant may exceed sixty thousand dollars. Grants may be renewed 6 7 annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium ((shall)) 8 must revert to the state toxics control account. 9

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- (6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.
- 17 (7) The department ((shall)) <u>must</u> adopt rules for grant or loan 18 issuance and performance.
  - (8) During the 2007-2009 and 2009-2011 fiscal biennia, the legislature may transfer from the local toxics control account to either the state general fund or the oil spill prevention account, or both such amounts as reflect excess fund balance in the account.
  - (9) During the 2009-2011 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay, local government shoreline update grants, private and public sector diesel equipment retrofit, and oil spill prevention, preparedness, and response activities.
  - (10) <u>During the 2009-2011 fiscal biennium</u>, <u>forty-five million</u> dollars from the local toxics control account must be transferred to the storm water account to be used as required under section 4 of this act.
- 32 <u>(11)</u> During the 2009-2011 fiscal biennium, the legislature may 33 transfer from the state toxics control account to the state general 34 fund such amounts as reflect the excess fund balance in the account."
- On page 5, after line 30 of the amendment, insert the following:

- 1 "NEW SECTION. Sec. 8. The department of ecology must report to
- 2 the appropriate committees of the legislature by December 1, 2010, on
- 3 the outcome of the phase 3 comprehensive scientific analysis of storm
- 4 water. The study is subject to approval by the legislature in the 2011
- 5 legislative session."
- 6 Renumber the remaining sections consecutively and correct any
- 7 internal references accordingly.
- 8 On page 6, beginning on line 1 of the amendment, after "act" strike
- 9 all material through "2010" on line 4 of the amendment and insert
- 10 "takes effect July 1, 2010"
- 11 Correct the title.

EFFECT: Changes the intent section.

Removes the additional hazardous substance tax and all related transfers.

Transfers a total of \$22.5 million from the State Toxics Control Account to the following:

\$12 million to the Motor Vehicle Account to be used as specified in the underlying bill.

\$5.5 million to the Puget Sound Recovery Account to be used as specified in the underlying bill.

\$5 million to the Oil Spill Prevention Account to be used as specified in the underlying bill.

Transfers \$45 million from the Local Toxics Control Account to the Storm Water Account created in the bill.

Requires the Department of Ecology to report to the Legislature by December 1, 2010, and the report is subject to legislative approval during the 2011 session.

Removes the immediacy language, and changes the effective date from May 1, 2010, to July 1, 2010.

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